

of the responsibility for full disclosure of any other information concerning the ultimate destination, end use, or end user of which the applicant knows, even if inconsistent with the representations made in the applicable support document. The applicant is responsible for promptly notifying BIS of any change in the facts contained in the support document that comes to the applicant's attention.

(e) *Procedures for using support document with license application*—(1) *Timing for obtaining support document.* When a support document is required for a license application in §§ 748.10, 748.11, and 748.12, license applicants may submit the application prior to receipt of a copy of the support document, unless BIS informs the applicant that the support document must be submitted with the application. However, if the license is granted, items authorized on the license may not be exported, reexported, or transferred (in-country) until the license holder obtains a copy of the support document.

(2) *Information necessary for license application.* When a support document is required for a license application, applicants should mark the appropriate box in Block 7, regardless of whether a copy of the support document is on file with the applicant at the time of submission.

(f) *Recordkeeping provisions.* License applicants must retain on file the original or a copy of any support document issued in support of a license application submitted to BIS. All recordkeeping provisions in part 762 of the EAR apply to this requirement.

(g) *Effect on license application review.* BIS reserves the right in all respects to determine to what extent any license will be issued covering items for which a support document has been issued. If a support document was issued by a foreign government, BIS will not seek or undertake to give consideration to recommendations from the foreign government as to the action to be taken on a license application. A support document will be only one of the factors upon which BIS will base its licensing action, since end uses and other considerations are important factors in the decision making process.

(h) *Grace period for complying with requirements following regulatory change.*

(1) Whenever the requirement for a PRC End-User Statement, Statement by Ultimate Consignee or Purchaser, or Firearms Convention Import Certificate is imposed or extended by a change in the regulations, the license application need not conform to the new support documentation requirements for a period of 45 days after the effective date of the regulatory change published in the FEDERAL REGISTER.

(2) License applications filed during the 45-day grace period may require the submission of evidence available to the applicant that will support representations concerning the ultimate consignee, ultimate destination, and end use, such as copies of the order, letters of credit, correspondence between the applicant and ultimate consignee, or other documents received from the ultimate consignee. If such evidence is required, applicants must also identify the regulatory change (including its effective date) that justifies exercise of the 45-day grace period.

[80 FR 13217, Mar. 13, 2015, as amended at 80 FR 51730, Aug. 26, 2015]

§ 748.10 People's Republic of China (PRC) End-User Statement.

(a) *Requirement to obtain document.* Unless the provisions of § 748.9(c) or § 748.11(a)(2) apply, a PRC End-User Statement is required for license applications including any of the following commodities destined for the PRC:

(1) Cameras classified under ECCN 6A003 requiring a license to the PRC for any reason, and the value of such cameras exceeds \$5,000;

(2) Computers requiring a license to the PRC for any reason, regardless of the value of the computers; or

(3) Any commodity(ies) requiring a license to the PRC for any reason on the Commerce Control List, and the total value of such commodity(ies) requiring a license exceeds \$50,000.

NOTE 1 TO PARAGRAPH (a): If an order meets the commodity(ies) and value requirements listed above, then a PRC End-User Statement is required. An order may not be split into multiple license applications solely to avoid a requirement to obtain a PRC End-User Statement.

NOTE 2 TO PARAGRAPH (a): If an order includes both items that do require a license to

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the PRC and items that do not require a license to the PRC, the value of the latter items should not be factored into the value thresholds described above. Also, if a license application includes 6A003 cameras and other items requiring a license to the PRC, then the value of the 6A003 cameras should be factored into the value threshold described in paragraph (a)(3).

NOTE 3 TO PARAGRAPH (a): See § 748.11(a)(2) for permissive use of a Statement by Ultimate Consignee and Purchaser in place of a PRC End-User Statement.

NOTE 4 TO PARAGRAPH (a): On a case-by-case basis, BIS may require license applicants to obtain a PRC End-User Statement for a license application that would not otherwise require a PRC End-User Statement under the requirements of paragraph (a) of this section.

(b) *Obtaining the document.* (1) If a PRC End-User Statement is required for any reason under paragraph (a) of this section, then applicants must request that the importer obtain a PRC End-User Statement for all items on a license application that require a license to the PRC for any reason listed on the CCL.

(2) PRC End-User Statements are issued and administered by the Ministry of Commerce; Department of Mechanic, Electronic and High Technology Industries; Export Control Division I; Chang An Jie No. 2; Beijing 100731 China; Phone: (86)(10) 6519 7366 or 6519 7390; Fax: (86)(10) 6519 7543; <http://zzyhzm.mofcom.gov.cn/>. See the BIS Web site (www.bis.doc.gov) for the current contact information.

(c) *Content of the document.* (1) The license applicant's name must appear on the PRC End-User Statement submitted to BIS as the applicant, supplier, or order party.

(2) License applicants must ensure that the following information is included on the PRC End-User Statement signed by an official of the Department of Mechanic, Electronic and High Technology Industries, Export Control Division I, of the PRC Ministry of Commerce (MOFCOM), with MOFCOM's seal affixed to it:

- (i) Title of contract and contract number (optional);
- (ii) Names of importer and exporter;
- (iii) End user and end use;
- (iv) Description of the commodity, quantity and dollar value; and
- (v) Signature of the importer and date.

NOTE TO PARAGRAPH (c): The license applicant should furnish the consignee with the commodity description contained in the CCL to be used in applying for the PRC End-User Statement. It is also advisable to furnish a manufacturer's catalog, brochure, or technical specifications if the commodity is new.

(d) *Procedures for using document with license application—*(1) *Using a PRC End-User Statement for multiple applications.* A PRC End-User Statement may cover more than one purchase order and more than one item. Where the Statement includes items for which more than one license application will be submitted, the applicant should ensure that the total quantities on the license application(s) do not exceed the total quantities shown on the PRC End-User Statement.

(2) *Alterations.* After a PRC End-User Statement is issued by the Government of the People's Republic of China, no corrections, additions, or alterations may be made on the certificate by any person. Any necessary corrections, additions, or alterations should be noted by the applicant in a separate statement on file with the applicant.

(3) *Validity period.* A PRC End-User Statement is valid until the quantities of items identified on the Statement have been shipped.

[80 FR 13218, Mar. 13, 2015]

§ 748.11 Statement by Ultimate Consignee and Purchaser.

(a) *Requirement to obtain document—*(1) *General requirement for all countries excluding the People's Republic of China (PRC).* Unless an exception in § 748.9(c) or paragraph (a)(3) of this section applies, a Statement by Ultimate Consignee and Purchaser is required if the license application includes "600 Series Major Defense Equipment" (600 series MDE) requiring a license for any reason on the Commerce Control List and such items are destined for a country other than the PRC.

(2) *Permissive substitute of Statement by Ultimate Consignee and Purchaser in place of PRC End-User Statement.* The requirement to obtain a support document for license applications involving the PRC is generally determined by § 748.10(a) of the EAR. However, a Statement by Ultimate Consignee and Purchaser may be substituted in place